DEVELOPMENT INITIATIVES BY SOCIAL ANIMATION (DISA)
COMMON COST POLICY

1. **Policy Statement:**

The DISA recognizes the importance of efficient resource allocation and transparency in managing common costs to maximize the impact of its programs and projects.

2. **Scope:**

Common costs include overhead expenses necessary for the general operation of the organization, such as administrative salaries, rent, utilities, office supplies, IT infrastructure, and other shared services.

3. **Allocation Methodology:**

Common costs will be allocated to projects and programs based on a combination of direct and indirect allocation methods. Direct allocation will be based on actual usage or benefit received, while indirect allocation will be based on factors like project budgets or staff time allocation.

4. **Budgeting and Forecasting:**

Common costs will be budgeted for in organizational budgets and project proposals. Project budgets will include provisions for common costs based on estimated usage and organizational needs. Regular reviews and adjustments will be made to common cost allocations as needed.

5. **Approval Process:**

All common cost expenditures must be approved according to established authority levels. Department heads or project managers are responsible for ensuring that common cost expenditures are justified, necessary, and within budget.

6. **Documentation and Record-Keeping:**

Thorough documentation of all common cost transactions is required. This includes invoices, receipts, allocation calculations, and any other relevant documentation. Records should be maintained in an organized manner and be readily accessible for auditing and reporting purposes.

7. **Cost Control Measures:**

Cost control measures will be implemented to prevent overspending and optimize the use of resources. These may include setting spending limits, negotiating favourable terms with suppliers, implementing cost saving initiatives, and regularly reviewing expenses for efficiency.

8. **Transparency and Reporting:**

Transparent reporting of common cost allocations and expenditures will be provided to stakeholders on a regular basis. Reports will include details on how common costs are allocated, actual expenditures, and any variances from budgeted amounts.

9. **Compliance and Monitoring:**

Compliance with relevant laws, regulations, and organizational policies governing common cost management will be ensured. Regular monitoring and internal audits will be conducted to assess compliance and identify areas for improvement.

10. **Training and Capacity Building:**

Staff involved in common cost management will receive training and capacity-building opportunities to enhance their understanding of the policy and their roles in its implementation. Training will focus on cost effective spending, budget management, and compliance requirements.

11. **Review and Evaluation:**

The common cost policy will be regularly reviewed and evaluated to assess its effectiveness and identify opportunities for improvement. Feedback from staff, stakeholders, and auditors will be solicited and used to make necessary revisions to the policy and associated processes.

By adhering to this common cost policy, DISA aims to ensure responsible financial management, accountability, and transparency in the use of its resources, thereby maximizing its impact in advancing its mission and goals.

Secretary
Development Initiatives by Social Animation (DISA)